

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

DCI 8 October Meeting with Ambassador to Nicaragua, Harry E. Bergold, Jr.

FROM:

LA/

3B44 Hqs

EXTENSION

NO.

DD/O 8-2207

DATE

6 October 1986

TO: (Officer designation, room number, and building)

DATE

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COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

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This is to confirm your appointment with U.S. Ambassador to Nicaragua, Harry E. Bergold, Jr., on 8 October 1986 at 0900 hours. He will be accompanied by DC/LAD and C/LA/CATF. Ambassador Bergold also has an appointment with the DDO at 0930 hours.

The information contained in this package has received DI input and has been coordinated through the DI.

8 OCT 1986

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DEPARTMENT OF STATE

No. 166
July 17, 1985

HARRY E. BERGOLD, JR.
UNITED STATES AMBASSADOR TO NICARAGUA

Harry E. Bergold, Jr. of Florida was sworn in May 9, 1984 as United States Ambassador to Nicaragua. A career member of the Senior Foreign Service, class of Minister-Counselor, Mr. Bergold was United States Ambassador to Hungary from March 1980 to October 1983. In Nicaragua he succeeded Anthony C.E. Quainton.

Mr. Bergold entered the Foreign Service in 1957. He served in Tegucigalpa, San Pedro Sula, Mexico, and the Department between 1957 and 1966. From 1967 to 1972 he was political-military counselor in Madrid, where he participated in base negotiations and the management of the United States' military relationship with Spain. He was political officer in Panama from 1972 to 1973.

From 1973 to 1975 Mr. Bergold was Deputy Assistant Secretary of Defense (ISA) for European and NATO Affairs; in 1976 he became Principal Deputy Assistant Secretary of Defense for Legislative Affairs. He was Assistant Secretary of Energy for International Affairs from 1977 through 1979.

Born in Olean, New York on November 11, 1931, Mr. Bergold graduated from Yale University (A.B., 1953; M.A., 1957) and served in the United States Army (1954-1956). His foreign language is Spanish.

Mr. Bergold is a member of the Council on Foreign Relations, the International Institute of Strategic Studies and the Oxford Energy Club. He is married to fellow Foreign Service Officer Karlene G. Knieps.

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4 September 1986

COUNTRY FACT SHEET

NAME: Nicaragua
CAPITAL: Managua
POPULATION: 2,409,000
AREA: 147,900 Kilometers (7% arable, 7% prairie and
Pasture, 50% forest, 36%
urban, waste, or other)
GNP: \$2,266 million (FY 1978)
PER CAPITA
INCOME: \$925 (FY 1981)

BACKGROUND:

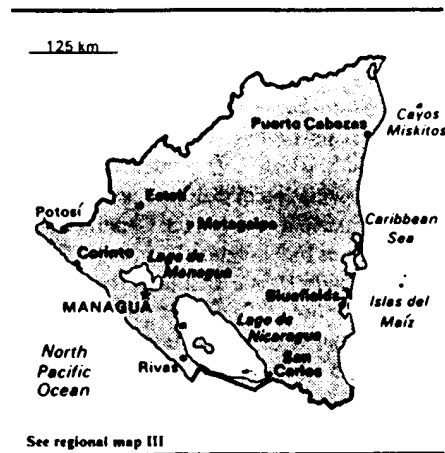
Nicaragua is the largest country of the Central American region. On 20 July 1979, the combined military forces of the Sandinista National Liberation Front (FSLN), which included elements from all segments of Nicaraguan society, were successful in their efforts to overthrow President Anastasio SOMOZA Debayle, whose family ruled Nicaragua since 1936. The FSLN then installed the Government of National Reconstruction (GRN), which is led by a 9-member National Directorate, a 5-person Junta and a 19-seat cabinet. There is still maneuvering for power going on among Sandinista leaders and lines of authority still remain unclear. The GRN tries to avoid being tagged with ideological labels which would isolate it in any way, but the FSLN National Directorate is ideologically Marxist.

Nicaragua is a backward but developing state whose per capita income compared favorably with other Central American countries until the civil strife of 1978-79 caused economic problems of massive dimensions. The economy is greatly dependent on sugar, cotton and coffee crops, the planting and harvesting of which was seriously disrupted by the fighting. The GRN has done little so far to rebuild confidence in the economy and an exodus of technically qualified people has further lowered economic expectations. Additionally, all steps taken by the new regime seem to focus more on consolidating the Government's control over economic activity than on getting the shattered economy back on its feet.

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1986

Nicaragua

**Land**

130,000 km²; about the size of Iowa; 50% forest; 7% arable; 7% prairie and pasture; 36% urban, waste, or other

Land boundaries: 1,220 km

Water

Limits of territorial waters (claimed):
200 nm

Coastline: 910 km

People

Population: 3,342,000 (July 1986), average annual growth rate 3.3%

Nationality: noun—Nicaraguan(s); adjective—Nicaraguan

Ethnic divisions: 69% mestizo, 17% white, 9% black, 5% Indian

Religion: 95% Roman Catholic

Language: Spanish (official); English- and Indian-speaking minorities on Atlantic coast

Infant mortality rate: 84/1,000 (1983)

Life expectancy: men 56, women 60

Literacy: 66%

Labor force: 1,047,000 (1985); 46% service, 41% agriculture, 13% industry; 22% unemployment

1986

Nicaragua (*continued*)

Organized labor: 35% of Nicaragua's labor force is organized; of the seven confederations, five are Sandinista or Marxist oriented—the government-sponsored Sandinista Workers' Central (CST), 115,000 members, including state and municipal employees; the Association of Campesino Workers (ATC), 130,000 members; the General Confederation of Independent Workers (CGI-I), approximately 15,000 members; the Workers Front, about 100 members; and the Central for Labor Action and Unity (CAUS), about 3,000 members; the other two unions are the Nicaraguan Workers' Central (CTN), 25,000 members, and the Confederation of Labor Unification (CUS), 50,000 members

Government

Official name: Republic of Nicaragua

Type: republic

Capital: Managua

Political subdivisions: one national district and 16 departments; in 1982 the Sandinistas established six regions and three special zones, which both the government and the Sandinista National Liberation Front (FSLN) increasingly use for administrative purposes

Legal system: the Sandinista-appointed Government of National Reconstruction revoked the constitution of 1974 and issued a Fundamental Statute and a Program of the Government of National Reconstruction to guide its actions until a new constitution is drafted by the National Assembly, which was elected in November 1984

National holiday: Independence Day, 15 September; Anniversary of the Revolution, 19 July

Branches: executive and administrative responsibility formally reside in the President, Vice President, and Cabinet; in reality, the nine-member National Directorate of the Sandinista National Liberation Front (FSLN) shares power with and dominates the executive; National Assembly was elected in November 1984 and inaugurated in January 1985 with a mandate to draft a new constitution; the country's highest

judicial authority is the Sandinista-appointed Supreme Court, composed of seven members

Government leaders: Cdte. (José) Daniel ORTEGA Saavedra, President (since 10 January 1985); Sergio RAMIREZ Mercado, Vice President (since 10 January 1985)

Elections: national elections were held on 4 November 1984 for president and vice president (elected for a six-year term), and a 96-member National Assembly

Political parties and leaders: the Sandinista National Liberation Front (FSLN) is the ruling party and dominates political life; the FSLN has 61 seats in the National Assembly; only the Liberal Party, because of its ties to the Somoza family, has been specifically banned; the government prohibited most political activities by opposition parties under the state of emergency in March 1982 and expanded the emergency decree in October 1985; the main opposition parties boycotted the elections on the grounds that the regime had not provided them with sufficient political guarantees; the democratic opposition parties include the Social Democratic Party (PSD), Luis Rivas Leiva; the Social Christian Party (PSC), Erick Ramírez; the Democratic Conservative Party of Nicaragua (PCDN), Mario Rappaccioli; the Constitutionalist Liberal Party (PLC), Alfredo Reyes Duque Estrada; the Independent Liberal Party (PLI), Virgilio Godoy; the Popular Social Christian Party (PPSC), Mauricio Díaz; and the Democratic Conservative Party (PCD), Eduardo Molina; the PSD, PSC, PCDN and PLC, as well as opposition business and union organizations form the Democratic Coordinating Board—Eduardo Rivas Gasteazoro, president; the PPSC and PLI were allied with the FSLN in the Patriotic Front of the Revolution (FPR) until early 1984 but fielded their own candidates in the elections; a pro-FSLN faction dominates the PCD; the PCD has 14 seats in the National Assembly, the PLI 9, and the PPSC 6; two additional relatively obscure parties, the Central American Unionist Party (PUCA) and the Revolutionary Party of the Workers (PRT), were founded in late 1984

Communists: the Nicaraguan Socialist Party (PSN), Luis Sánchez Sancho, founded in 1944, has served as Nicaragua's Moscow-line Communist party; the Communist Party of Nicaragua (PCdEN), Eli Altamirano Pérez, is an ultraleft breakaway faction from the PSN; and the Popular Action Movement—Marxist-Leninist (MAP-ML), Isidro Téllez; only the PSN was a member of the FPR alliance with the FSLN, but all three have supported the revolution; the PCdEN and MAP-ML have criticized the Sandinistas for moving too slowly toward consolidation of a Marxist-Leninist regime; each of the three Communist parties has two seats in the National Assembly

Other political or pressure groups: the Superior Council of Private Enterprise (COSEP) is an umbrella group comprising 11 different chambers of associations, including such groups as the Chamber of Commerce, the Chamber of Industry, and the Nicaraguan Development Institute (INDE)

Member of: CACM, CEMA (observer), FAO, G-77, GATT, IADB, IAEA, IBRD, ICAC, ICAO, ICO, IDA, IDB—Inter-American Development Bank, IFAD, IFC, ILO, IMF, IMO, INTELSTAT, INTERPOL, IPU, IRC, ISO, ITU, NAM, OAS, ODECA, PAHO, SELA, UN, UNESCO, UPEB, UPU, WFTU, WHO, WMO, WTO

Economy

GDP: \$2.9 billion (1985), \$960 per capita; real GDP growth rate 1985, -7.1% (Note: conversion from national currency made at 50 cordobas=US\$1, a highly overvalued official exchange rate)

Natural resources: gold, silver, copper, tungsten, arable land, timber, livestock, fish

Agriculture: main crops—cotton, coffee, sugarcane, rice, corn, beans, cattle

Major industries: food processing, chemicals, metal products, textiles and clothing, petroleum, beverages

Electric power: 400,000 kW capacity (1985); 1.14 billion kWh produced (1985), 350 kWh per capita

1986

Exports: \$320 million (f.o.b., 1985); cotton, coffee, chemical products, meat, sugar, seafood

Imports: \$850 million (f.o.b., 1985); food and nonfood agricultural products, chemicals and pharmaceuticals, transportation equipment, machinery, construction materials, clothing, petroleum

Major trade partners: exports—41% EC, 13% US, 8% CACM, 24% Japan, 7% CEMA, 7% other; imports—10% Mexico, 14% US, 9% CACM, 21% EC, 32% CEMA, 14% other (1984)

Aid: economic commitments—US, including Ex-Im (FY70-82), \$290 million; Western (non-US) countries, ODA and OOF (1970-83), \$540 million; Communist countries (1970-84), \$760 million; military—US commitments (FY70-79), \$20 million, Communist countries (1970-84) \$515 million

Budget: 1984 expenditures, \$1.1 billion; revenues, \$0.7 billion; converted at 50 cordobas=US\$1, at highest official exchange rate

Monetary conversion rate: multiple exchange policy; official rates vary from 10-50 cordobas=US\$1 (January 1986); free market 1,200 cordobas=US\$1 (January 1986)

Fiscal year: calendar year

Communications

Railroads: 344 km 1.067-meter gauge, government owned; majority of system not operating; 3 km 1.435-meter gauge line at Puerto Cabezas (does not connect with mainline)

Highways: 23,585 km total; 1,655 km paved, 2,170 km gravel or crushed stone, 5,425 km earth or graded earth, 14,335 km unimproved

Inland waterways: 2,220 km, including 2 large lakes

Pipelines: crude oil, 56 km

Ports: 1 major (Corinto), 7 minor

Civil air: 12 major transport aircraft

Airfields: 296 total, 261 usable; 8 with permanent-surface runways; 2 with runways 2,440-3,659 m, 11 with runways 1,220-2,439 m

Telecommunications: low-capacity radio-relay and wire system being expanded; connection into Central American microwave net; Atlantic Ocean satellite station; 60,000 telephones (2.2 per 100 popl.); 42 AM, 6 TV stations; Intersputnik communications satellite facility planned

Defense Forces

Branches: Sandinista People's Army, Sandinista Navy, Sandinista Air Force/Air Defense, Sandinista People's Militia

Military manpower: males 15-49, 678,000; 419,000 fit for military service; 33,000 reach military age (18) annually

Military budget: estimated for fiscal year ending 31 December 1985, \$1.4 billion; 50% of central government budget (includes both defense and security expenditures)

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